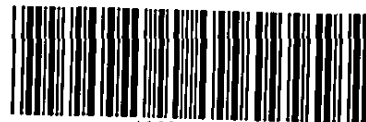


Bauer East Limited

Report and Accounts

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COMPANIES HOUSE

For the year ended 31 December 2009

Company Registered No. 1397483

Bauer East Limited
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For the year ended 31 December 2009

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Bauer East Limited

Directors, officers and auditors

DIRECTORS

G White
C P Evans

SECRETARY

Sisec Limited

AUDITORS

BDO LLP
55 Baker Street
London
W1U 7EU

REGISTERED OFFICE

21 Holborn Viaduct
London
EC1A 2DY

COMPANY NUMBER

1397483

Bauer East Limited

Directors' Report

For the year ended 31 December 2009

The directors submit their report and accounts for the year ended 31 December 2009

Results and dividends

The Company's results for the year show a pre-tax loss of £9,000 (9 months ended 31 December 2008 £21,000) and sales of £2,222,000 (9 months ended 31 December 2008 £2,427,000) The directors do not recommend the payment of a dividend (9 months ended 31 December 2008 £nil)

Principal activity, review of the business and future developments

The Company has acted, and will continue to act, as an agent providing employee services on behalf of Bauer Consumer Media Limited

It is anticipated that the Company will continue with its current activities

Directors

The current directors are shown on page 1 The directors who served during the year were

G White
C P Evans

Going concern

Notwithstanding the fact that the Company has net liabilities, the directors have prepared the financial statements on the going concern basis The directors have received confirmation from Bauer Consumer Media Limited, its parent company, of its intention to financially support the Company such that they can meet their obligations as they fall due for a period of at least twelve months from the date of the directors approval of these financial statements

Insurance of directors

Directors' and Officers' liability insurance has been maintained by Bauer Consumer Media (Holdings) Limited for the year

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period

In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Bauer East Limited
Directors' Report
For the year ended 31 December 2009

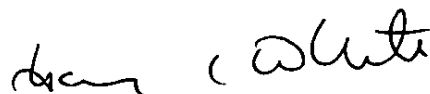
Auditors

The auditors, BDO LLP, have indicated their willingness to continue in office. The Company has elected under section 487 of the Companies Act 2006 not to re-appoint auditors annually. Therefore the auditors, BDO LLP, are deemed to be re-appointed for the next financial year.

Small company accounts

In preparing the directors' report, advantage has been taken of the small companies exemption under Companies Act 2006.

Approved by the board of directors on 14 June, 2010



G White
Director

Bauer East Limited

Independent Auditor's Report

For the year ended 31 December 2009

Independent auditor's report to the members of Bauer East Limited

We have audited the financial statements of Bauer East Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime.

Boo WP

Donald Williams (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
55 Baker Street, London W1U 7EU
United Kingdom

14 JUNE 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Bauer East Limited
Profit and Loss Account
For the year ended 31 December 2009

	<i>Note</i>	Twelve months ended 31 December 2009	Nine months ended 31 December 2008
		£'000	£'000
Turnover	2	2,222	2,427
Cost of sales		(2,222)	(2,427)
Operating profit	3	-	-
Interest payable and similar charges	6	(9)	(21)
Loss on ordinary activities before taxation		(9)	(21)
Tax on loss on ordinary activities	7	3	5
Loss for the period	10, 11	(6)	(16)

The above results relate to continuing operations

The Company has no recognised gains and losses other than those stated above and therefore no separate statement of recognised gains and losses has been presented

There is no difference between the loss on ordinary activities before taxation and the retained loss for the periods stated above and their historical cost equivalents

The notes on pages 7 to 11 form part of these accounts

Bauer East Limited
Balance Sheet
At 31 December 2009
Company Registered No 1397483

	<i>Note</i>	2009	2008
		£'000	£'000
Creditors' amounts falling due within one year	8	(556)	(550)
Net liabilities		(556)	(550)
Capital and reserves			
Called up share capital	9	50	50
Profit and loss account	10	(606)	(600)
Total shareholders' deficit	11	(556)	(550)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board of Directors and authorised for issue on **14** June, 2010

G White

G White
Director

The notes on pages 7 to 11 form part of these accounts

Bauer East Limited

Notes to the Accounts

For the year ended 31 December 2009

1 Accounting policies

(a) Accounting convention

These accounts have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The directors, in accordance with the Financial Reporting Standard 18, "Accounting Policies" ("FRS 18"), confirm that the accounting policies used by the Company are the most appropriate, consistently applied and adequately disclosed.

A summary of the more important accounting policies is set out below.

(b) Going Concern

The Company is dependent on continuing financial support made available by Bauer Consumer Media Limited. Continuing financial support is required both to enable the Company to meet its liabilities as they fall due and to continue operating without immediate realisation of all its assets. The parent company, Bauer Consumer Media Limited, has confirmed its intention to maintain its financial support for the foreseeable future and consequently these accounts have been prepared on a going concern basis.

(c) Pensions

Bauer operates a defined contribution pension scheme provided by Scottish Widows for all eligible staff across the Group. This scheme is known as Bauer Consumer Media Pension scheme. The costs of this pension scheme are charged to the profit and loss account as they become payable.

(d) Cash flow statement and related party transactions

The Company is a wholly owned subsidiary of Heinrich Bauer Verlag Beteiligungs GmbH and is included in the consolidated financial statements of Heinrich Bauer Verlag Beteiligungs GmbH, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 "Cash Flow Statements" (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 "Related Party Transactions" from disclosing related party transactions with entities that are wholly owned by the Heinrich Bauer Verlag KG group as it is also a wholly owned subsidiary and included within the consolidated accounts of Heinrich Bauer Verlag Beteiligungs GmbH, which are publicly available.

2 Turnover

The Company acts as an agent for the provision of employee services to Bauer Consumer Media Limited. Turnover represents amounts recharged to Bauer Consumer Media Limited for the provision of such services during the period.

Revenue is recognised at the point when it is probable that the economic benefits will flow to the Company and when the amount of revenue can be reliably measured.

All turnover is derived from within the United Kingdom.

Bauer East Limited

Notes to the Accounts

For the year ended 31 December 2009

3 Operating profit

Fees for the audit of the Company were borne by Bauer Consumer Media Limited for both periods and have not been recharged

There were no fees paid to the Company's auditor, BDO LLP, for any non audit services to the Company (9 months ended 31 December 2008 £nil)

4 Directors' emoluments

	Twelve months ended 31 December 2009 £'000	Nine months ended 31 December 2008 £'000
Aggregate emoluments	119	49
Pension contributions under the defined contribution scheme	5	2
	<u>124</u>	<u>51</u>

There is 1 director (9 months ended 31 December 2008 1) accruing retirement benefits under the defined contribution scheme

5 Staff costs

	Twelve months ended 31 December 2009 £'000	Nine months ended 31 December 2008 £'000
(a) Costs (including directors' emoluments)		
Wages and salaries	1,636	1,599
Social security costs	162	155
Other pension costs	32	38
	<u>1,830</u>	<u>1,792</u>

(b) Pension costs

The Company has participated in a defined contribution pension scheme, the Bauer Consumer Media Pension Scheme operated by Scottish Widows

The pension charge represents contributions due from the employer and during the year it amounted to £32,072 (9 months ended 31 December 2008 £38,413)

(c) Employees

	Twelve months ended 31 December 2009 Number	Nine months ended 31 December 2008 Number
The average number of employees during the period in the UK comprised		
Full-time employees	43	37

Bauer East Limited
Notes to the Accounts
For the year ended 31 December 2009

6 Interest payable and similar charges

Twelve months ended 31 December	Nine months ended 31 December
2009	2008
£'000	£'000

Interest payable on intercompany loan

9 21

7 Tax on loss on ordinary activities

Twelve months ended 31 December	Nine months ended 31 December
2009	2008
£'000	£'000

Corporation tax at 28%

(3) (6)

Corporation tax prior year adjustments

- 1

Tax on loss on ordinary activities

(3) (5)

The difference between tax as per the financial statements and tax at the UK nominal rate is explained below

Twelve months ended 31 December	Nine months ended 31 December
2009	2008
£'000	£'000

Loss before tax

(9) (21)

Tax credit at 28%

(3) (6)

Corporation tax prior year adjustments

- 1

Tax credit for the current period

(3) (5)

Bauer East Limited
Notes to the Accounts
For the year ended 31 December 2009

8 Creditors amounts falling due within one year

	2009 £'000	2008 £'000
Amounts owed to other Group undertakings	556	550

Amounts owed to other Group undertakings are unsecured and have no fixed date of repayment. Included in amounts owed to other Group undertakings are balances bearing interest at 1.54% and others at the average SONIA rate for the period (31 December 2008: 5.16%).

9 Share capital

	2009 £'000	2008 £'000
Authorised, allotted and fully paid		
50,000 ordinary shares of £1 each	50	50

10 Profit and loss account

	Total £'000
At 1 January 2009	(600)
Loss for the year	(6)
At 31 December 2009	(606)

11 Reconciliation of movements on shareholders' deficit

	2009 £'000	2008 £'000
Opening shareholders' deficit	(550)	(534)
Loss for the period	(6)	(16)
Closing shareholders' deficit	(556)	(550)

Bauer East Limited
Notes to the Accounts
For the year ended 31 December 2009

12 Immediate and ultimate controlling parties

The immediate parent company is Bauer Consumer Media Limited

The only parent undertaking for which Group accounts are drawn up is Heinrich Bauer Verlag Beteiligungs GmbH, registered in Germany. Copies of Heinrich Bauer Verlag Beteiligungs GmbH accounts are publicly available.

Heinrich Bauer Verlag KG, established in Germany, is regarded by the directors as the Company's ultimate controlling party.